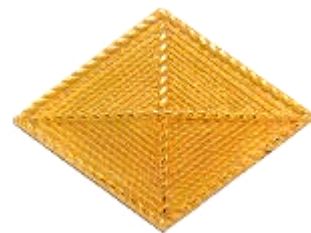


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FINANCE FLASH

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2006 Thrift Savings Plan (TSP) Contributions

1. Beginning 1 January 2006, the TSP 10% contribution limit of Basic Pay has been eliminated. You are authorized to increase your TSP Basic Pay contribution percentage to 100% of your basic pay after mandatory deductions. The only limitation, imposed by the IRS, is a deferred compensation restriction of \$15,000 and a combined deferred and exempt limitation of \$44,000. Regrettably, the military pay system is not programmed to automatically subtract your deductions from gross pay to determine the amount available for TSP contribution.
2. To prevent flagging of your account, subtract all deductions and allotments from your Basic Pay before selecting a TSP percentage. All TSP elections of 85% and below will automatically process if sufficient net pay is available. The upcoming changes to TSP are complex. If you would like to contribute above 85% or you have questions about the new limits, three good sources for information are the myPay and TSP websites and your local finance customer service representative.
3. For more information regarding this and other finance questions, call or stop by your local finance office.

**13th Finance Group
Iraq - Kuwait**